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**CAPITAL AREA AGENCY ON AGING -  
DISTRICT II, INC.**

**BATON ROUGE, LOUISIANA**

**JUNE 30, 2001**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 11/21/01

**L.A. CHAMPAGNE & CO., L.L.P.**

CERTIFIED PUBLIC ACCOUNTANTS  
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**CAPITAL AREA AGENCY ON AGING -  
DISTRICT II, INC.  
INTRODUCTION AND SUMMARY**  
*June 30, 2001 and 2000*

**INTRODUCTION**

The Agency received federal funds under entitlements from Titles III B, III C-1, III C-2 and III F of the Older Americans Act of 1965, as amended, and USDA Cash-In-Lieu of Commodities program. Other funds were received from the State of Louisiana under the Senior Center and Elderly Protective Services programs. Funding was also provided by United Way, and Entergy's Project Care.

**SUMMARY**

During the periods ended June 30, 2001 and 2000, the Agency received \$3,211,541 and \$3,100,370, respectively, to fund administrative costs and programs serving older citizens. Funding is summarized as follows:

	<u>2001</u>	<u>2000</u>
Governor's Office of Elderly Affairs,		
State of Louisiana	\$ 2,843,378	\$ 2,818,117
Entergy - Project Care	26,350	12,044
United Way	196,500	135,245
Interest	6,217	8,354
Other	139,096	126,610
	<u>\$ 3,211,541</u>	<u>\$ 3,100,370</u>

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## INDEPENDENT AUDITOR'S REPORT

The Board of Directors  
Capital Area Agency on Aging - District II, Inc.

We have audited the accompanying general purpose financial statements of Capital Area Agency on Aging - District II, Inc. as of and for the year ended June 30, 2001, as listed in the table of contents. These general purpose financial statements are the responsibility of Capital Area Agency on Aging - District II, Inc.'s management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Capital Area Agency on Aging - District II, Inc. as of June 30, 2001, and the results of its operations and the changes in its fund balances for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2001, on our consideration of Capital Area Agency on Aging - District II, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of Capital Area Agency on Aging - District II, Inc., taken as a whole. The accompanying supplemental schedule of expenditures of federal awards on page 28 is presented for purposes of

*Continued...*

additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Also, the accompanying supplemental fund information pages 18 and 19, combining financial statements pages 20 - 21 and other supplemental information schedules pages 22 - 27 listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Capital Area Agency on Aging - District II, Inc. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

  
September 21, 2001



**CAPITAL AREA AGENCY ON AGING - DISTRICT II, INC.**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
*June 30, 2001*

	Governmental Fund Types			Account Group		Totals (Memorandum only)	
	General	Special Revenue		General Fixed Assets	General Long-term Debt	2001	2000
<b>ASSETS</b>							
Cash	\$ 4,080	\$ 335,888	\$ -	\$ -	-	\$ 339,968	\$ 220,367
Receivables on funding contracts	-	111,975	-	-	-	111,975	161,170
Due from subcontractors	-	52,388	-	-	-	52,388	44,176
Other assets	-	5,947	-	-	-	5,947	11,905
Office equipment	-	-	23,621	-	-	23,621	37,111
Office furniture and fixtures	-	-	4,314	-	-	4,314	6,234
Amount to be provided for retirement of long-term debt	-	-	-	-	12,470	12,470	10,542
<b>Total assets</b>	<b>\$ 4,080</b>	<b>\$ 506,198</b>	<b>\$ 27,935</b>	<b>\$ 12,470</b>	<b>\$ -</b>	<b>\$ 550,683</b>	<b>\$ 491,505</b>

**LIABILITIES AND FUND BALANCES**

<b>LIABILITIES</b>							
Accounts payable and accrued expenses	\$ -	\$ 100,531	\$ -	\$ -	-	\$ 100,531	\$ 105,633
Due to subcontractors	-	68,884	-	-	-	68,884	66,576
Accrued compensated absences	-	-	-	-	12,470	12,470	10,542
	-	169,415	-	-	12,470	181,885	182,751
<b>FUND BALANCES</b>							
Unreserved:							
Undesignated	4,080	336,783	-	-	-	340,863	265,409
Investment in general fixed assets	-	-	27,935	-	-	27,935	43,345
Total fund balances	4,080	336,783	27,935	-	-	368,798	308,754
<b>Total liabilities and fund balances</b>	<b>\$ 4,080</b>	<b>\$ 506,198</b>	<b>\$ 27,935</b>	<b>\$ 12,470</b>	<b>\$ -</b>	<b>\$ 550,683</b>	<b>\$ 491,505</b>

See accompanying notes

**CAPITAL AREA AGENCY ON AGING -  
DISTRICT II, INC.**  
**COMBINED STATEMENT OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCES-  
ALL GOVERNMENTAL FUND TYPES**  
*For The Year Ended June 30, 2001*

			Totals	
			(Memorandum only)	
	<u>General</u>	<u>Special</u>	<u>2001</u>	<u>2,000</u>
		<u>Revenue</u>		
<b>REVENUE</b>				
Governmental	\$ -	\$ 2,843,378	\$ 2,843,378	\$ 2,818,117
Other:				
Entergy - Project Care	-	26,350	26,350	12,044
United Way				
Capital Area United Way	-	196,500	196,500	132,200
United Way of Tangipahoa	-	-	-	3,045
Interest	1,121	5,096	6,217	8,354
Other	1,112	137,984	139,096	126,610
	<u>2,233</u>	<u>3,209,308</u>	<u>3,211,541</u>	<u>3,100,370</u>
<b>EXPENDITURES</b>				
Operating Expenses:				
Salaries	-	232,531	232,531	205,876
Fringe benefits	-	68,137	68,137	54,106
Travel	501	13,705	14,206	13,201
Operating services	-	46,946	46,946	49,822
Operating supplies	-	2,924	2,924	5,704
Professional services	-	8,600	8,600	8,395
Other costs	1,697	4,032	5,729	5,382
Capital outlay	2,621	-	2,621	4,333
	<u>4,819</u>	<u>376,875</u>	<u>381,694</u>	<u>346,819</u>
Congregate Meal Program	-	337,668	337,668	335,710
Home Delivered Meal Program	-	834,693	834,693	803,815
	<u>-</u>	<u>1,172,361</u>	<u>1,172,361</u>	<u>1,139,525</u>
Contracted social services:				
Ascension Council on Aging, Inc.	-	131,640	131,640	128,855
Assumption Council on Aging, Inc.	-	109,812	109,812	111,857
Capital Area Legal Services	-	160,732	160,732	159,992
East Feliciana Council on Aging, Inc.	-	123,551	123,551	126,839
Iberville Council on Aging, Inc.	-	149,055	149,055	149,682
Pointe Coupee Council on Aging, Inc.	-	141,642	141,642	140,538
St. Helena Council on Aging, Inc.	-	88,416	88,416	89,835

Continued...



			Totals	
			(Memorandum only)	
	<u>General</u>	<u>Special Revenue</u>	<u>2001</u>	<u>2000</u>
Southeast La. Legal Services Corp.	\$ -	\$ 9,612	\$ 9,612	\$ 10,241
Tangipahoa Council on Aging, Inc.	-	287,321	287,321	292,665
Ultra Home Health, Inc.	-	4,091	4,091	-
Washington Council on Aging, Inc.	-	225,128	225,128	228,892
West Baton Rouge Council on Aging, Inc.	-	78,428	78,428	77,257
West Feliciana Council on Aging, Inc.	-	72,604	72,604	73,490
	<u>-</u>	<u>1,582,032</u>	<u>1,582,032</u>	<u>1,590,143</u>
Total expenditures	<u>4,819</u>	<u>3,131,268</u>	<u>3,136,087</u>	<u>3,076,487</u>
Excess (deficiency) of revenue over expenditures	(2,586)	78,040	75,454	23,883
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	2,621	409,121	411,742	392,332
Operating transfers out	-	(411,742)	(411,742)	(392,332)
	<u>2,621</u>	<u>(2,621)</u>	<u>-</u>	<u>-</u>
Excess of revenue and other sources over expenditures and other uses	35	75,419	75,454	23,883
<b>FUND BALANCES</b>				
Beginning of year	<u>4,045</u>	<u>261,364</u>	<u>265,409</u>	<u>241,526</u>
End of year	<u>\$ 4,080</u>	<u>\$ 336,783</u>	<u>\$ 340,863</u>	<u>\$ 265,409</u>

See accompanying notes

**CAPITAL AREA AGENCY ON AGING -  
DISTRICT II, INC.  
COMBINED STATEMENT OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL -  
GENERAL FUND  
For The Year Ended June 30, 2001**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>REVENUE</b>			
Interest	\$ 1,200	\$ 1,121	\$ (79)
Other	-	1,112	1,112
	<u>1,200</u>	<u>2,233</u>	<u>1,033</u>
<b>EXPENDITURES</b>			
Administration:			
Travel	800	501	299
Other	1,500	1,697	(197)
Capital outlay	3,500	2,621	879
	<u>5,800</u>	<u>4,819</u>	<u>981</u>
Excess (deficiency) of revenue over expenditures	<u>(4,600)</u>	<u>(2,586)</u>	<u>2,014</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	4,600	2,621	(1,979)
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue and other sources over expenditures and other uses	-	35	\$ <u>35</u>
<b>FUND BALANCES</b>			
Beginning of year	-	4,045	
End of year	\$ <u>-</u>	\$ <u>4,080</u>	

See accompanying notes

**CAPITAL AREA AGENCY ON AGING -  
DISTRICT II, INC.  
COMBINED STATEMENT OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL -  
SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2001**

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
<b>REVENUE</b>			
Governmental	\$ 2,797,814	\$ 2,843,378	\$ 45,564
Other:			
Entergy - Project Care	-	26,350	26,350
United Way			
Capital Area United Way	188,455	196,500	8,045
United Way of Tangipahoa	853	-	(853)
Interest	13,000	5,096	(7,904)
Other	142,302	137,984	(4,318)
	<u>3,142,424</u>	<u>3,209,308</u>	<u>66,884</u>
<b>EXPENDITURES</b>			
Administration:			
Salaries	234,177	232,531	1,646
Fringe benefits	69,709	68,137	1,572
Travel	15,657	13,705	1,952
Operating services	50,784	46,946	3,838
Operating supplies	5,225	2,924	2,301
Professional services	8,597	8,600	(3)
Other costs	4,944	4,032	912
	<u>389,093</u>	<u>376,875</u>	<u>12,218</u>
Congregate Meal Program	332,670	337,668	(4,998)
Home Delivered Meal Program	844,470	834,693	9,777
	<u>1,177,140</u>	<u>1,172,361</u>	<u>4,779</u>
Contracted social services:			
Ascension Council on Aging, Inc.	120,916	131,640	(10,724)
Assumption Council on Aging, Inc.	109,812	109,812	-
Capital Area Legal Services, Inc.	160,053	160,732	(679)
East Feliciana Council on Aging, Inc.	119,696	123,551	(3,855)
Iberville Council on Aging, Inc.	145,667	149,055	(3,388)
Pointe Coupee Council on Aging, Inc.	136,849	141,642	(4,793)

Continued...

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Contracted social services (continued):			
St. Helena Council on Aging, Inc.	\$ 88,416	\$ 88,416	\$ -
Southeast La. Legal Services Corp.	10,291	9,612	679
Tangipahoa Council on Aging, Inc.	287,321	287,321	-
Ultra Home Health, Inc.	23,000	4,091	18,909
Washington Council on Aging, Inc.	225,128	225,128	-
West Baton Rouge Council on Aging, Inc.	72,789	78,428	(5,639)
West Feliciana Council on Aging, Inc.	71,655	72,604	(949)
	<u>1,571,593</u>	<u>1,582,032</u>	<u>(10,439)</u>
Total expenditures	<u>3,137,826</u>	<u>3,131,268</u>	<u>6,558</u>
Excess of revenues over expenditures	4,598	78,040	73,442
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	424,901	409,121	(15,780)
Operating transfers out	<u>(429,499)</u>	<u>(411,742)</u>	<u>17,757</u>
	<u>(4,598)</u>	<u>(2,621)</u>	<u>1,977</u>
Excess of revenue and other sources over expenditures and other uses	-	75,419	\$ <u><u>75,419</u></u>
<b>FUND BALANCES</b>			
Beginning of year		261,364	
End of year	\$ <u><u>-</u></u>	\$ <u><u>336,783</u></u>	

See accompanying notes

**CAPITAL AREA AGENCY ON AGING -  
DISTRICT II, INC.  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2001**

**A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Nature of Activities and Reporting Entity*

The Agency was formed in 1974 to ensure the availability of supportive, nutrition, and volunteer services to people aged 60 and older in the ten parishes surrounding the Baton Rouge capital area. Elderly protective services are provided in East Baton Rouge Parish and eleven surrounding parishes. It also serves as an advocate and provides leadership on behalf of the elderly. The Agency coordinates funding to the parish councils on aging and monitors their providing of services to older citizens.

The Agency is not classified a component unit of another primary government nor does it have any component units. It is determined to be a separate special-purpose governmental entity and presents its financial statements in a form appropriate to that classification.

*Presentation*

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governmental entities as prescribed by the GASB, and the applicable requirements set forth in Audits of State and Local Governmental Units, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI - Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors; and, the Louisiana Governmental Audit Guide.

*Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Income Tax Status*

The Agency, a nonprofit corporation, is exempt from federal income taxes under section 501(C)(3) of the Internal Revenue Code.

*Fund Accounting*

The accounts of the Agency are organized on the basis of funds and account groups, which are considered separate accounting entities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are spent and the means by which spending activities are controlled. The various funds and account



## **A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

groups presented in these financial statements are described below.

### ***Governmental Fund Types***

Governmental funds are those through which the governmental functions of the Agency are financed. The general activities of the Agency, including the collection and disbursement of specific or legally restricted monies, the acquisition of general fixed assets and the servicing of general long term obligations are accounted for within the various governmental fund types described as follows:

**General Fund** - The General Fund is the general operating fund of the Agency. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

### ***Account Groups***

An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The following two account groups are not "funds".

**General Fixed Assets** - The fixed assets used in Agency operations are accounted for in the General Fixed Asset account group and are recorded as expenditures in the government funds when acquired.

**General Long-Term Debt** - Long-term obligations expected to be financed from governmental funds are accounted for in the General Long-Term Debt account group.

### ***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds, including the General and Special Revenue Funds, are accounted for using a current financial resources measurement focus. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet. Operating statements reflect the increases and decreases in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable.

### ***Revenue Recognition***

The Senior Center program, Title III-B, III C-1, III C-2, Elderly Protective Services and III-F funds are received as a monthly allocation of the total grant in advance of the actual expenditures, but are not susceptible to accrual as revenue until the actual expenditures are made. Audit funds are also recognized as revenue as the related costs are incurred, and the grant reimbursement becomes available and is measurable.

U.S.D.A. funds are earned and become susceptible to accrual based upon the number of units of service provided to program participants and are recorded as revenues at that time.

## **A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The local United Way also provided funds to the Agency to supplement administrative costs, Title III C-2 and personal care programs, and those revenues are susceptible to accrual.

Utility assistance funds are provided from public donations sponsored by various utility companies. Miscellaneous revenues are difficult to predict; therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

### *Transfers*

Advances between funds, which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the advances are classified as due from other funds or due to other funds on the balance sheet.

### *Budget Policy*

Budgets for the various programs are prepared by the Agency's Executive Director and approved by the Agency's Board of Directors and the grantor of the funds for each respective program. Appropriations from the Governor's Office of Elderly Affairs lapse at year end. The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures. Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.

The Agency may transfer funds between line items as often as required but must obtain prior approval from the Governor's Office of Elderly Affairs for funds received under contracts from that agency.

Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

### *Total Columns of the Combined Statements*

Total columns on the combined statements are captioned "memorandum only" to indicate that they are presented only to help with financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

### *Receivables and Bad Debts*

Management believes that receivables are collectible in full, and no allowance for bad debts has been provided in the financial statements.

### *Fixed Assets*

All fixed assets are accounted for in the General Fixed Asset account group and are stated at historical cost. No depreciation has been provided on general fixed assets.

### *Long-term Liabilities*

Long-term liabilities, specifically, accrued compensated absences, expected to be financed from governmental funds are accounted for in the General Long-Term Debt group of accounts.



**A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Annual and Sick Leave*

GASB Statement No. 16 requires the accrual for vacation leave to the extent it is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement. The Agency has recorded a liability as of June 30, 2001 for the accrued vacation for each employee at the employee's current rate of pay. Standards require that applicable provisions for retirement, social security, and Medicare taxes be included in the accrued compensation.

GASB Statement No. 16 requires the accrual for sick leave if it is probable that the employer will compensate the employees for the benefits through cash payments conditioned on the employees' termination or retirement. Since the accumulated sick leave lapses upon termination, no amount has been accrued.

The management of the Agency has estimated that the portion of its liability for accrued compensated absences to be paid from expendable available financial resources is not material. Consequently, the total amount of accrued compensation is reported in the general long-term debt account group.

*Comparative Data*

Comparative data for the prior year have been presented in the accompanying financial statements to provide an understanding of changes in the Agency's financial position and operations. However, presentation of comparative data by fund type has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**B: CASH**

The Agency's cash at June 30, 2001 is categorized below to give an indication of the level of risk assumed by the Agency at year-end. Category 1 includes cash that is insured or registered, or otherwise secured by securities held by the Agency or its agent in the Agency's name. Category 2 includes uninsured and unregistered cash secured with securities held by the counter party's trust department or agent in the Agency's name. Category 3 includes uninsured and unregistered cash secured with securities held by the counter party or by its trust department or agent but not in the Agency's name.

In accordance with GASB 3, Category 3 includes cash, certificates of deposit or money market accounts that are collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the Agency's name although balances so collateralized meet the requirements of state law. All amounts shown in Category 3 are collateralized by securities held by the pledging financial institution but not in the Agency's name.

	-----Category-----			Bank
	1	2	3	Balance
Cash	\$ 100,000	\$ -	\$ 251,550	\$ 351,550
Total cash	\$ 100,000	\$ -	\$ 251,550	\$ 351,550

**C: RECEIVABLES ON FUNDING CONTRACTS**

Receivables on funding contracts at June 30, 2001, consist of the following:

	Amount
U.S.D.A.	\$ 26,225
United Way	85,750
	<u>\$ 111,975</u>

**D: BOARD OF DIRECTORS' COMPENSATION**

Service on the Board of Directors is voluntary and, therefore, members are not compensated in the form of per diem. Members of the Board are reimbursed for travel expenses. These reimbursements were \$889 in 2001 and \$1,630 in 2000.

**E: CHANGES IN LONG-TERM DEBT**

The following is a summary of transactions relating to the Agency's long-term debt during fiscal year 2001.

	Balance 7/1/00	Additions	Reductions	Balance 6/30/01
Accrued compensated absences	\$ 10,542	\$ 15,197	\$ (13,269)	\$ 12,470

**F: FIXED ASSETS**

A summary of changes to fixed assets for the year ended June 30, 2001, is as follows:

	Office Equipment	Office Furniture and Fixtures	Total
Balance - beginning of year	\$ 37,111	\$ 6,234	\$ 43,345
Additions:			
Computers and other office equipment	2,621	-	2,621
Office furniture	-	-	-
Deletions:			
Computers and other office equipment	(16,111)	-	(16,111)
Office furniture	-	(1,920)	(1,920)
Balance - end of year	<u>\$ 23,621</u>	<u>\$ 4,314</u>	<u>\$ 27,935</u>

## G: PENSION PLAN

The agency administers a defined contribution pension plan covering all employees with one year or more of service. Employer contributions amounting to 5% of an employee's salary are made annually and benefits are fully and immediately vested. Pension expense of \$12,058 and \$8,867 including administrative charges, is reported in fringe benefits for 2001 and 2000, respectively. Plan benefits are funded through group annuity contracts that are valued at \$105,533 as of December 31, 2000.

## H: LEASE COMMITMENTS

The Agency is currently under two operating lease agreements for its area office located in Baton Rouge, Louisiana and its Elderly Protective Services office located in Hammond, Louisiana. The area office lease was renewed effective July 1, 1999, for a three year term expiring June 30, 2002 with monthly rentals of \$1,362. The initial lease term for the Elderly Protective Office began July 1, 1999 and expired on June 30, 2000. On July 1, 2000, the Agency exercised its option under the lease, extending the term two years to June 30, 2002 with monthly rentals of \$720. Lease expense was \$24,984 and \$24,744 for the year ended 2001 and 2000, respectively. Future minimum lease payments under both lease agreements are as follows:

<u>Year Ended</u>	<u>Amount</u>
6/30/02	\$ <u>24,984</u>

## I: INTERFUND TRANSFERS

Transfers in and out are listed by fund type for the year ended June 30, 2001:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund:	\$ <u>2,621</u>	\$ <u>-</u>
Total General	<u>2,621</u>	<u>-</u>
Special Revenue Fund:		
Area Agency Administration	35,840	-
Title III C-1 (Congregate meals)	67,803	-
Title III C-2 (Home delivered meals)	305,478	-
Title III-B	-	-
Title III-F	-	-
Elderly Protective Services	-	-
U.S.D.A. Cash	-	261,386
United Way	-	147,735
Other Restricted	-	2,621
Total Special Revenue	<u>409,121</u>	<u>411,742</u>
	\$ <u>411,742</u>	\$ <u>411,742</u>



**J: ECONOMIC DEPENDENCY**

*The Agency receives the majority of its revenue from grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and Louisiana state governments. If significant budget cuts are made at the federal and/or state level, the Agency's funding could be reduced significantly and have an adverse impact on its operations. However, management is not aware of any actions by Agency funding sources that will adversely affect operations in the next fiscal year.*

**K: FEDERALLY ASSISTED PROGRAMS - COMPLIANCE CONTINGENCIES**

*Federal and State assistance programs represent an important source of funding for the Agency. These programs are audited annually in accordance with the "Single Audit Act". Prior audits have not resulted in any significant disallowed costs; however, grantor agencies may conduct or require further examinations. Based upon prior experience, Agency management believes that further examination would not result in any significant disallowed costs.*

**L: SUBCONTRACTOR AUDITS**

*All council on aging subcontractors and certain other entities receiving funding from the Agency are responsible for having an independent audit performed in accordance with Government auditing standards and, additionally, in accordance with the "Single Audit Act" if federal expenditures exceed specified thresholds.*

**M: REQUIRED INDIVIDUAL FUND DISCLOSURES**

*Neither the general fund nor any individual fund of the Special Revenue Fund had a deficiency of revenue and other sources over expenditures and other uses for the year ended June 30, 2001.*

## **SUPPLEMENTAL INFORMATION**

## **SPECIAL REVENUE FUNDS**

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, as follows:

### ***Title III C-1 Area Agency Administration (AAA)***

The Title III C-1 Area Agency Administration (AAA) Fund accounts for the administration of the services provided to the elderly. Title III C-1 AAA funds are provided by the U.S. Department of Health and Human Services through the Governor's Office of Elderly Affairs, which "passes through" the funds to the Capital Area Agency on Aging. These funds are used to pay the costs of administering programs.

### ***Title III-B Fund***

The Title III-B Fund is used to account for the support services, which include access services, in-home services, community services, and transportation, for the elderly. Title III-B funds are provided by the U. S. Department of Health and Human Services through the Governor's Office of Elderly Affairs, which "passes through" the funds to the Capital Area Agency on Aging, which "passes through" the funds to the various service providers. These funds are also used to pay for information and assistance follow-up provided by Area Agency Administration.

### ***Title III C-1 Fund***

The Title III C-1 Fund accounts for the revenues and expenditures of federal and state grants for congregate meals for the elderly in strategically located centers. These funds are provided in the same manner as Title III-B above.

### ***Title III C-2 Funds***

Title III C-2 Funds are used to provide nutritional meals to home-bound older persons. These funds are provided in the same manner as Title III-B above.

### ***Title III-F Fund***

The Title III-F Fund is used to provide disease prevention and health promotion services and information to senior centers. Priority is given to areas that are medically under-served, and areas where there are large numbers of elderly who have the greatest economic need for such services.

### ***USDA Cash Fund***

The USDA Fund is used to account for the administration of the Food Distribution Program funds provided by the U.S. Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs, which "passes through" the funds to the Capital Area Agency on Aging. This program reimburses the area agencies on a per unit basis for each congregate and home delivered meal served to an eligible participant so that U.S. food and commodities may be purchased to supplement these programs.

### ***Senior Center Fund/Supplemental Senior Center Fund***

The Senior Center Funds are used to account for the administration of Senior Center Program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to Capital Area Agency on Aging, which "passes through" the funds to the area Councils on Aging. This program provides community service centers at which older persons receive support services and par-

ticipate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community.

#### *Audit Fund*

The audit fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit of the agency and the various councils' financial statements.

#### *United Way Fund*

The United Way fund is used to account for funds received from the Capital Area and other United Way organizations to supplement administrative costs, the home-delivered meals program and a Personal Care Program.

#### *Utility Relief Fund*

The Utility Relief fund is used to account for the administration of programs sponsored by local utility companies who collect contributions from service customers and employees. These contributions and the utility companies' corporate donations are remitted to the Agency who "passes through" the funds to the various councils to provide assistance to the elderly with emergencies in the payment of energy costs.

#### *Elderly Protective Services Fund*

The Elderly Protective Services Fund is used to account for the administration and support of the program to protect individuals sixty years of age or older who cannot physically or mentally protect themselves. The program also serves those who are harmed or threatened with harm through action or inaction by themselves or by individuals responsible for their care or by other parties.

#### *Other Funds*

Interest earned on idle cash from other restricted use funds may be used to fund various programs as the need arises.

**CAPITAL AREA AGENCY ON AGING  
DISTRICT II, INC.  
COMBINING STATEMENT OF PROGRAM REVENUE,  
EXPENDITURES AND CHANGES IN FUND BALANCE  
GENERAL FUND**

*For the Year Ended June 30, 2001*

	<u>Local</u>	<u>Total</u>
<b>REVENUE</b>		
Interest	1,121	1,121
Other	\$ 1,112	\$ 1,112
	<u>2,233</u>	<u>2,233</u>
<b>EXPENDITURES</b>		
Administration:		
Travel	501	501
Other	1,697	1,697
Capital Outlay	<u>2,621</u>	<u>2,621</u>
	<u>4,819</u>	<u>4,819</u>
Excess (deficiency) of revenue over expenditures	<u>(2,586)</u>	<u>(2,586)</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Operating transfers in	2,621	2,621
Operating transfers out	<u>-</u>	<u>-</u>
	<u>2,621</u>	<u>2,621</u>
Excess of revenues and other sources over expenditures and other uses	35	35
<b>FUND BALANCES</b>		
Beginning of year	4,045	4,045
End of year	\$ <u><u>4,080</u></u>	\$ <u><u>4,080</u></u>





STATE PROGRAMS			OTHER PROGRAMS			TOTAL
AUDIT	SUP SENIOR CENTER	ELDERLY PROTECTIVE	UNITED WAY	UTILITY RELIEF	OTHER	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,436,976
15,764	41,580	296,113	-	-	-	1,406,402
-	-	-	-	26,350	-	26,350
-	-	-	196,500	-	-	196,500
-	-	-	-	-	5,096	5,096
-	-	-	-	-	-	137,984
15,764	41,580	296,113	196,500	26,350	5,096	3,209,308
-	-	91,306	-	-	-	232,531
-	-	27,031	-	-	-	68,137
-	-	8,374	-	-	-	13,705
-	-	19,207	-	-	-	46,946
-	-	525	-	-	-	2,924
3,834	-	1,200	-	-	-	8,600
-	-	850	-	-	-	4,032
3,834	-	148,493	-	-	-	376,875
-	-	-	-	-	-	538,058
-	-	-	-	-	-	634,303
-	-	-	-	-	-	1,172,361
1,148	4,158	-	-	10,724	-	131,640
840	4,158	-	-	-	-	109,812
-	-	147,620	-	-	-	160,732
850	4,158	-	500	2,846	1,009	123,551
1,317	4,158	-	-	3,241	147	149,055
1,215	4,158	-	13,256	2,951	1,842	141,642
673	4,158	-	500	-	-	88,416
-	-	-	-	-	-	9,612
2,796	4,158	-	-	-	-	287,321
-	-	-	4,091	-	-	4,091
1,934	4,158	-	-	-	-	225,128
559	4,158	-	-	5,639	-	78,428
598	4,158	-	500	949	-	72,604
11,930	41,580	147,620	18,847	26,350	2,998	1,582,032
15,764	41,580	296,113	18,847	26,350	2,998	3,131,268
-	-	-	177,653	-	2,098	78,040
-	-	-	-	-	-	409,121
-	-	-	(147,735)	-	(2,621)	(411,742)
-	-	-	(147,735)	-	(2,621)	(2,621)
-	-	-	29,918	-	(523)	75,419
-	-	-	142,199	-	31,917	261,364
\$ -	\$ -	\$ -	\$ 172,117	\$ -	\$ 31,394	\$ 336,783

**CAPITAL AREA AGENCY ON AGING -  
DISTRICT II, INC.  
STATEMENT OF EXPENDITURES -  
BUDGET AND ACTUAL  
GENERAL AND SPECIAL REVENUE FUNDS  
For The Year Ended June 30, 2001**

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>GENERAL FUND</b>			
LOCAL			
Travel	\$ 800	\$ 501	\$ 299
Other	1,500	1,697	(197)
Capital Outlay	3,500	2,621	879
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 5,800</u>	<u>\$ 4,819</u>	<u>\$ 981</u>
<b>SPECIAL REVENUE FUNDS</b>			
<b>TITLE III C-1 AREA AGENCY ADMINISTRATION</b>			
Salaries	\$ 122,457	\$ 120,431	\$ 2,026
Fringe benefits	36,797	35,184	1,613
Travel	4,866	3,119	1,747
Operating services	24,290	21,035	3,255
Operating supplies	2,800	1,430	1,370
Professional services	2,662	2,819	(157)
Other costs	2,452	2,441	11
	<u>\$ 196,324</u>	<u>\$ 186,459</u>	<u>\$ 9,865</u>
<b>TITLE III-B SUPPORTIVE SERVICES</b>			
Salaries	\$ 15,914	\$ 15,914	\$ -
Fringe benefits	5,110	5,182	(72)
Travel	2,417	2,212	205
Operating services	6,360	6,704	(344)
Operating supplies	925	969	(44)
Professional services	1,101	747	354
Other costs	462	561	(99)
Contracted services	567,122	567,122	-
	<u>\$ 599,411</u>	<u>\$ 599,411</u>	<u>\$ -</u>

Continued...

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>TITLE III PART F, DISEASE PREVENTION/HEALTH PROMOTION</b>			
Salaries	\$ 4,500	\$ 4,880	\$ (380)
Fringe benefits	770	740	30
Travel	-	-	-
Operating supplies	-	-	-
Other costs	530	180	350
Contracted services	15,974	15,974	-
	<u>\$ 21,774</u>	<u>\$ 21,774</u>	<u>\$ -</u>

#### **ELDERLY PROTECTIVE SERVICES**

Salaries	\$ 91,306	\$ 91,306	\$ -
Fringe benefits	27,032	27,031	1
Travel	8,374	8,374	-
Operating services	20,134	19,207	927
Operating supplies	500	525	(25)
Professional services	1,000	1,200	(200)
Other costs	1,000	850	150
Contracted services	147,620	147,620	-
	<u>\$ 296,966</u>	<u>\$ 296,113</u>	<u>\$ 853</u>

#### **TITLE III C-1 (CATERED MEALS AND SERVICES)**

##### **Congregate Meal Program:**

##### **Catered meals:**

Raw food	\$ 175,842	\$ 179,611	\$ (3,769)
Labor and non-edibles	156,828	158,057	(1,229)
Contracted services	249,955	249,955	-
	<u>\$ 582,625</u>	<u>\$ 587,623</u>	<u>\$ (4,998)</u>

#### **TITLE III C-2 (CATERED MEALS AND SERVICES)**

##### **Home Delivered Meal Program:**

##### **Catered meals:**

Raw foods	\$ 362,618	\$ 358,447	\$ 4,171
Labor and non-edibles	481,852	476,246	5,606
Contracted services	253,005	253,005	-
	<u>\$ 1,097,475</u>	<u>\$ 1,087,698</u>	<u>\$ 9,777</u>

*Continued...*

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>U.S.D.A.</b>			
Transfers to other programs:			
Title III C-1 Congregate Meals	\$ 62,805	\$ 67,803	\$ (4,998)
Title III C-2 Home Delivered Meals	199,042	193,583	5,459
	<u>\$ 261,847</u>	<u>\$ 261,386</u>	<u>\$ 461</u>
<b>SENIOR CENTER</b>			
Contracted services	\$ 246,651	\$ 246,651	\$ -
	<u>\$ 246,651</u>	<u>\$ 246,651</u>	<u>\$ -</u>
<b>SUPPLEMENTAL SENIOR CENTER</b>			
Contracted services	\$ 41,580	\$ 41,580	\$ -
	<u>\$ 41,580</u>	<u>\$ 41,580</u>	<u>\$ -</u>
<b>AUDIT</b>			
Professional services	\$ 3,834	\$ 3,834	\$ -
Contracted services	11,930	11,930	-
	<u>\$ 15,764</u>	<u>\$ 15,764</u>	<u>\$ -</u>
<b>UNITED WAY</b>			
Contracted services	\$ 38,256	\$ 18,847	\$ 19,409
Transfers to other programs:			
Title III C-1 Area Agency Administration	38,304	35,839	2,465
Title III C-2	111,895	111,896	(1)
	<u>\$ 188,455</u>	<u>\$ 166,582</u>	<u>\$ 21,873</u>
<b>UTILITY RELIEF</b>			
Contracted services	\$ -	\$ 26,350	\$ (26,350)
	<u>\$ -</u>	<u>\$ 26,350</u>	<u>\$ (26,350)</u>
<b>OTHER PROGRAMS</b>			
Operating Supplies	\$ 1,000	\$ -	\$ 1,000
Other	-	2,998	(2,998)
Transfer to Other Programs	12,853	2,621	10,232
Contracted services	-	-	-
	<u>\$ 13,853</u>	<u>\$ 5,619</u>	<u>\$ 8,234</u>
<b>TOTAL EXPENDITURES</b>	\$ 3,568,525	\$ 3,547,829	\$ 20,696
<b>LESS PROGRAM TRANSFERS</b>	<u>(424,899)</u>	<u>(411,742)</u>	<u>(13,157)</u>
<b>EXPENDITURES NET OF PROGRAM TRANSFERS</b>	<u>\$ 3,143,626</u>	<u>\$ 3,136,087</u>	<u>\$ 7,539</u>



**CAPITAL AREA AGENCY ON AGING -  
DISTRICT II, INC.**

**COMPARATIVE STATEMENTS OF  
GENERAL FIXED ASSETS AND CHANGES IN GENERAL FIXED ASSETS**

*June 30, 2001 and 2000*

	Balance June 30, 2000	Reclass- ifications	Additions	Deletions	Balance June 30, 2001
<b>OFFICE EQUIPMENT</b>					
Computer equipment	\$ 16,941	\$ -	\$ -	6,095	\$ 10,846
Typewriters and calculators	2,356	-	-	-	2,356
Copier and other office machines	17,814	-	2,621	10,016	10,419
	<u>37,111</u>	<u>-</u>	<u>2,621</u>	<u>16,111</u>	<u>23,621</u>
<b>OFFICE FURNITURE AND FIXTURES</b>					
Office furniture	4,398	-	-	84	4,314
Filing cabinets and bookcases	1,561	-	-	1,561	-
Miscellaneous fixtures	275	-	-	275	-
	<u>6,234</u>	<u>-</u>	<u>-</u>	<u>1,920</u>	<u>4,314</u>
<b>TOTAL GENERAL FIXED ASSETS</b>	<u>\$ 43,345</u>	<u>\$ -</u>	<u>\$ 2,621</u>	<u>\$ 18,031</u>	<u>\$ 27,935</u>
<b>INVESTMENT IN GENERAL FIXED ASSETS</b>					
Title III C-1 Area Agency Administration	\$ 17,145	\$ -	\$ -	6,573	\$ 10,572
Title III C-1	8,568	-	-	7,390	1,178
State Adult Protective Services	7,983	-	-	2,439	5,544
Title III, Part F Disease Prevention/Health Promotion	376	-	-	376	-
Local	9,273	-	2,621	1,253	10,641
<b>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</b>	<u>\$ 43,345</u>	<u>\$ -</u>	<u>\$ 2,621</u>	<u>\$ 18,031</u>	<u>\$ 27,935</u>

**CAPITAL AREA AGENCY ON AGING - DISTRICT II, INC.**  
**SCHEDULE OF PAYMENTS TO SUBCONTRACTORS CATEGORIZED BY FUNCTION**  
*For The Year Ended June 30, 2001*

	INFORMATION AND ASSISTANCE, OUTREACH, TRANSPORTATION & CASE MGMT	LEGAL AND OTHER		SERVICES IN COMMUNITY	IN-HOME	SENIOR CENTER OPERATIONS	CONGREGATE MEALS		HOME DELIVERED MEALS	UTILITY RELIEF	ELDERLY PROTECTIVE SERVICES		AUDIT	TOTAL
		MISC	MISC				MEALS	MEALS			ELDERLY PROTECTIVE SERVICES	ELDERLY PROTECTIVE SERVICES		
Ascension Council on Aging, Inc.	\$ 51,488	\$ -	\$ -	\$ 10,056	\$ 12,295	\$ -	\$ 18,708	\$ 27,221	\$ 10,724	\$ -	\$ 1,148	\$ 131,640		
Assumption Council on Aging, Inc.	38,129	-	-	11,223	23,036	-	24,366	12,218	-	-	840	109,812		
Capital Area Legal Services, Inc.	-	13,112	-	-	-	-	-	-	-	-	-	160,732		
E. Feliciana Council on Aging, Inc.	49,849	500	-	14,007	8,468	-	13,754	33,277	2,846	-	850	123,551		
Iberville Council on Aging, Inc.	57,291	-	-	10,262	8,582	16,227	29,109	23,026	3,241	-	1,317	149,055		
Pointe Coupee Council on Aging, Inc.	46,965	-	-	6,065	28,424	12,024	39,455	4,543	2,951	-	1,215	141,642		
St. Helena Council on Aging, Inc.	16,244	500	-	16,897	4,163	-	20,828	29,111	-	-	673	88,416		
Southeast La. Legal Services Corp.	-	9,612	-	-	-	-	-	-	-	-	-	9,612		
Tangipahoa Council on Aging, Inc.	124,098	-	-	3,743	51,568	-	53,700	51,416	-	-	2,796	287,321		
Ultra Home Health, Inc.	-	-	-	-	4,091	-	-	-	-	-	-	4,091		
Washington Council on Aging, Inc.	98,442	-	-	10,587	20,388	1	35,208	58,568	-	-	1,934	225,128		
W. B. R. Council on Aging, Inc.	43,982	-	-	3,352	4,036	-	10,810	10,050	5,639	-	559	78,428		
W. Feliciana Council on Aging, Inc.	26,199	500	-	6,865	1,115	12,838	8,890	14,650	949	-	598	72,604		
	<u>\$ 552,687</u>	<u>\$ 24,224</u>	<u>\$ -</u>	<u>\$ 93,057</u>	<u>\$ 166,166</u>	<u>\$ 41,090</u>	<u>\$ 254,828</u>	<u>\$ 264,080</u>	<u>\$ 26,350</u>	<u>\$ 147,620</u>	<u>\$ 11,930</u>	<u>\$ 1,582,032</u>		

**CAPITAL AREA AGENCY ON AGING -  
DISTRICT II, INC.  
SCHEDULE OF PRIORITY SERVICES  
TITLE III-B - GRANT FOR SUPPORTIVE SERVICES  
For the Year Ended June 30, 2001**

		<u>Amount</u>	<u>Total</u>	<u>% of GOEA Grant</u>
Access (30%):	Assisted transportation	\$ -		
	Case management	16,084		
	Transportation	498,493		
	Information & assistance	56,319		
	Outreach	<u>14,080</u>		
	Total access expenses		\$ 584,976	<u>127.50%</u>
In-Home (15%):	Homemaker	92,091		
	Chore	17,988		
	Telephoning	28,920		
	Visiting	-		
	Adult/daycare/health	-		
	Personal care	<u>23,076</u>		
	Total in-home expenses		162,075	<u>35.33%</u>
Legal (5%):	Legal assistance		22,724	<u>4.95%</u>
Non-priority services			<u>70,490</u>	
Total III-B - supportive services expenditures			840,265	
Less: Participant contributions			-	
Other public support			(13,256)	
Transfers In			<u>(227,598)</u>	
Title III-B - supportive services grant			599,411	
Less: Transfers of contract allotments			-	
State homemaker			-	
State transportation			<u>(140,605)</u>	
			<u>(140,605)</u>	
Original grant award net of additional state homemaker and transportation funds and transfers of contract allotments			<u>\$ 458,806</u>	

**CAPITAL AREA AGENCY ON AGING - DISTRICT II, INC.**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*For The Year Ended June 30, 2001*

<u>FEDERAL GRANTOR/PASS THROUGH GRANTORS/PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>REVENUE RECOGNIZED</u>	<u>TOTAL FEDERAL EXPENDITURES</u>	<u>DIRECT AGENCY EXPENDITURES</u>	<u>ASCENSION COUNCIL ON AGING, INC.</u>	<u>ASSUMPTION COUNCIL ON AGING, INC.</u>
<u>U.S. Department of Health and Human Services</u>							
Passed Through the Louisiana Governor's Office Of Elderly Affairs:							
Special Programs for the Aging:							
Title III, Part B Supportive Services	93.044	\$ 390,076	\$ 390,076	\$ 390,076	\$ 27,536	\$ 33,055	\$ 24,166
Title III, Part C-Area Agency Administration	93.045	112,957	112,957	112,957	112,957	-	-
Title III, Part C-1 Nutritional Services Congregate Meals	93.045	373,641	373,641	373,641	161,972	15,902	19,918
Title III, Part C-2 Nutritional Services Home Delivered Meals	93.045	231,117	231,117	231,117	155,648	11,863	2,258
Total Title III, Part C	93.045	717,715	717,715	717,715	430,577	27,765	22,176
Title III, Part F Disease Prevention and Health Promotion Services	93.043	21,774	21,774	21,774	5,800	1,539	1,125
<u>U.S. Department of Agriculture</u>							
Passed Through the Louisiana Governor's Office of Elderly Affairs:							
U.S.D.A. - Cash-In-lieu of commodities	10.570	307,411	307,411	261,386	261,386	-	-
		\$ 1,436,976	\$ 1,436,976	\$ 1,390,951	\$ 725,289	\$ 62,359	\$ 47,467

*Note A: Schedule prepared using modified accrual basis of accounting.*



-----PASSED THROUGH TO SUBRECIPIENTS-----

CAPITAL AREA LEGAL SERVICES, INC.	EAST FELICIANA COUNCIL ON AGING, INC.	IBERVILLE COUNCIL ON AGING, INC.	POINTE COUPEE COUNCIL ON AGING, INC.	ST. HELENA COUNCIL ON AGING, INC.	SOUTHEAST LEGAL SERVICES CORP.	TANGIPAHOA COUNCIL ON AGING, INC.	WASHINGTON COUNCIL ON AGING, INC.	WEST BATON ROUGE COUNCIL ON AGING, INC.	WEST FELICIANA COUNCIL ON AGING, INC.
\$ 10,568	\$ 24,447	\$ 37,892	\$ 34,949	\$ 19,357	\$ 8,747	\$ 80,442	\$ 55,638	\$ 16,079	\$ 17,200
-	-	-	-	-	-	-	-	-	-
-	11,691	24,743	33,537	13,562	-	45,645	29,927	9,188	7,556
-	-	478	3,862	-	-	28,870	19,968	1,098	6,172
-	11,691	25,221	37,399	13,562	-	74,515	49,895	11,186	13,728
-	1,138	1,764	1,627	901	-	3,743	2,589	748	800
-	-	-	-	-	-	-	-	-	-
\$ 10,568	\$ 37,276	\$ 64,877	\$ 73,975	\$ 33,820	\$ 8,747	\$ 158,700	\$ 108,122	\$ 28,013	\$ 31,728

# L.A. CHAMPAGNE & CO., L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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MEMBERS - SEC AND  
PRIVATE COMPANIES PRACTICE  
SECTIONS OF THE AMERICAN  
INSTITUTE OF CPAs

EID #72-0454386

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Directors

Capital Area Agency on Aging - District II, Inc.

We have audited the general purpose financial statements of Capital Area Agency on Aging - District II, Inc., as of and for the year ended June 30, 2001, and have issued our report thereon dated September 21, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether Capital Area Agency on Aging - District II, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Capital Area Agency on Aging - District II, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

*Continued...*

This report is intended for the information of the management and board of Capital Area Agency on Aging - District II, Inc., the Legislative Auditor, and the Governor's Office of Elderly Affairs.

  
September 21, 2001

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Board of Directors,  
Capital Area Agency on Aging - District II, Inc.

### Compliance

We have audited the compliance of Capital Area Agency on Aging - District II, Inc. with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. Capital Area Agency on Aging - District II, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the management of Capital Area Agency on Aging - District II, Inc. Our responsibility is to express an opinion on Capital Area Agency on Aging - District II, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Capital Area Agency on Aging - District II, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Capital Area Agency on Aging - District II, Inc.'s compliance with those requirements.

In our opinion, Capital Area Agency on Aging - District II, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001.

*Continued...*




### Internal Control Over Compliance

The management of Capital Area Agency on Aging - District II, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Capital Area Agency on Aging - District II, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the management and board of Capital Area Agency on Aging - District II, Inc., the Legislative Auditor, and the Governor's Office of Elderly Affairs.

  
September 21, 2001



**CAPITAL AREA AGENCY ON AGING - DISTRICT II, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
*Year Ended June 30, 2001*

**A: SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of Capital Area Agency on Aging - District II, Inc.
2. No reportable conditions relating to the audit of the general purpose financial statements are reported in the "Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*."
3. No instances of noncompliance material to the general purpose financial statements of Capital Area Agency on Aging - District II, Inc. were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the "Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133."
5. The auditor's report on compliance for the major federal award programs for Capital Area Agency on Aging - District II, Inc. expresses an unqualified opinion.
6. Audit findings relative to the major federal award programs for Capital Area Agency on Aging - District II, Inc. are reported in Part C of this Schedule.
7. The programs tested as a major program are as follows:  
  
U. S. Department of Health and Human Services  
Special Programs for the Aging:  
Title III-B -- Supportive Services; CFDA# 93.044  
Title III-C -- Nutrition Services; CFDA#93.045  
Title III-F -- Disease Prevention and Health Promotion Services; CFDA#93.043
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Capital Area Agency on Aging - District II, Inc. was determined to be a low-risk auditee.

**B: FINDINGS - FINANCIAL STATEMENTS AUDIT**

There were no findings that are required to be reported in this section of the report.

**C: FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT**

There are no findings that are required to be reported in this section of the report.